

DEPOSITION  
TESTIMONY

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Q Did you express your concerns to anybody?

A I did with Casey, and also with [REDACTED]  
was very concerned about it, but nothing, you know, went  
beyond that.

Q You've described this both as an Israeli  
initiative and an NSC initiative. Which do you think it  
was and how do you put those two together?

A I think the arms for hostages with Iran was an  
Israeli initiative. When I speak of initiatives I think  
of the NSC beginning to play an active role in trying to  
release the hostages through foreign mechanisms, which  
NSC would normally do through either State or CIA, and it  
was the NSC itself doing it.

Q As far as you knew at the time, when did the  
NSC start this initiative?

A Oh, I can't recall, but I would say it has to  
be, you know, shortly after the hostages were taken and  
we couldn't do much about it.

Q I mean this particular initiative. I don't  
mean when did they start trying to find out where the  
hostages were and exploring alternatives to gain their  
release. I'm saying when did the NSC first start this  
initiative involving the shipment of arms from Israel to  
Iran to gain the release of the hostages.

A Well, if I look at the events of November '85,

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1 I'd say it would have to be November 23, 1985, or 22nd, I  
2 guess it was, when the shipment went.

3 Q So up until that point you saw the NSC's role  
4 as merely monitoring an ongoing Israeli effort?

5 A Yes. And the tie was, you know, Israelis to  
6 the NSC and NSC people with these contacts. There was no  
7 station or ambassador involvement that I was aware of.

8 MR. LEON: Were you familiar, Mr. McMahon,  
9 with the proposal that Bud McFarlane in the summer of '85  
10 had circulated to the Directors of Central Intelligence,  
11 Defense and State about an Iran initiative, opening up an  
12 initiative with Iran? Does that ring any bells to you?

13 THE WITNESS: No, it doesn't.

14 MR. LEON: Do you remember hearing anything  
15 from the Director about how he was in favor of  
16 McFarlane's proposal of opening up new doors with Iran  
17 and yet Weinberger and Shultz were not in favor of it?

18 THE WITNESS: That probably centers around a  
19 paper that was prepared by our National Intelligence  
20 Officer, Graham Fuller, that expressed his growing  
21 concern that the Iran situation with the U.S. had  
22 deteriorated to nothing and that as events transpired in  
23 Iran the Soviets are in a much stronger position there  
24 than we are, and therefore initiatives ought to be taken  
25 to try and bring Iran back into the western orbit.

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1           He felt that while the U.S. had no cards to  
2 play that maybe we could encourage the western Europeans  
3 to play a greater role with Iran in order to keep them  
4 away from the Soviets.

5           BY MR. BARBADORO: (Resuming)

6           Q     I want to turn to that weekend in November now  
7 and I'll try to get through a couple of things relatively  
8 quickly. Your memorandum of December 7, 1985, summarizes  
9 your knowledge of what was going on that weekend, and it  
10 says that you first learned of it on Saturday, November  
11 23, when Ed Juchniewicz asked you if you were aware of  
12 the efforts transpiring to get the hostages out, and your  
13 answer was that you weren't aware of the specifics.

14                     Is that the way you recall learning of what  
15 was going on that weekend?

16           A     Now what he said wasn't the hostages. The way  
17 he phrased it, he said do you know what these guys are up  
18 to. And he handed me a cable which was addressed to the  
19 charge [REDACTED] and I think it was from the Deputy  
20 National Security Advisor. At any rate, it was the  
21 National Security Advisor or Deputy National Security  
22 Advisor, and it was kind of a cable that was bemoaning  
23 the fact that [REDACTED] would not help out on this  
24 humanitarian mission. And that was about the extent of  
25 it.

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1                   And I read it. It was one of those cables  
2                   that had no distribution other than the division and the  
3                   DDO. I gave it back to Ed, and I said, look, it's okay  
4                   to send cables. We do that all the time for Secretary of  
5                   State or Defense or what have you, use our channels  
6                   because they are more secure. But I said make sure we  
7                   don't get involved, and that was Saturday morning.

8                   And then Monday morning I came in and he said  
9                   hey, do you know what those guys did? And I said what  
10                  guys, and he said Secord. Now that's the name I heard.  
11                  And I said what was that. And he said they used our  
12                  proprietary to send over some oil supplies, and I said .  
13                  goddam it, I told you not to get involved.

14                  And he said, we're not involved. They came to  
15                  us and we said no. And they asked if we knew the name of  
16                  a secure airline and we gave them the name of our  
17                  proprietary. I said, for Christ's sake, we can't do that  
18                  without a Finding. So then I went back to my office and  
19                  I punched a button and I said you get those guys together  
20                  with Sporkin.

21                  And then I think that was the 7:30 time frame  
22                  -- 7:15, 7:30 time frame. Then I went back down about  
23                  9:00 and I went in. Clair George's door was closed, and  
24                  I went into his office and he had a bunch of people in  
25                  there, and Clair said I'm just finding out what's going

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1 on, because he was away for the weekend.

2 And [REDACTED] was there, who was running the  
3 paramilitary and air ops programs, and I said to him make  
4 sure you guys get over to Sporkin and we get a Finding.  
5 And then during the day I called Sporkin several times  
6 and I told him that I wanted a Finding and I wanted it  
7 retroactive to cover that flight.

8 And he came over, I think it was that night --  
9 it may have been the next morning, but I think it was  
10 that night -- which would have been Monday, and this was  
11 after the air ops guys had briefed him, and he said well,  
12 we need a Finding, but I'm not so sure that we need a  
13 Finding for use of the proprietary. I said, what do you  
14 need the Finding for, and he said, well, they used our  
15 people overseas to contact government officials and they  
16 exerted influence on government officials.

17 I said okay, write the Finding. And I said be  
18 sure and make it retroactive, and he said I think I'll  
19 talk to the White House counsel and to Justice, and I  
20 said great. And he left and then, you know, the next day  
21 or so -- I can't tell you when -- I was standing at my  
22 table with several people around me and he came in and  
23 said here's this Finding.

24 It was a two-paragraph, very short Finding,  
25 and in that Finding it said, you know, we are directing

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1 you to provide everything you can think of, and I think  
2 it said, including munitions or something like that, and  
3 then the last paragraph was a kind of a quit claim that  
4 said, and this goes for any previous act any government  
5 official may have undertaken.

6 And I said perfect. I said get it to Casey  
7 and I said, get it down there.

8 Q Let me stop you there and ask you some  
9 questions about November 25. You were told on the 25th  
10 that Secord was involved?

11 A Yes.

12 Q Who told you that?

13 A Ed Juchniewicz.

14 Q And that was the first indication you had that  
15 Secord was in some way involved in this operation; right?

16 A Right.

17 Q What did he tell you Secord's role in the  
18 thing was?

19 A He didn't, and in fact it now seems rather  
20 incomplete, but I didn't even go into what was in the  
21 shipment. I accepted the fact it was oil equipment  
22 because, you know, the Iraqis had been pounding the hell  
23 out of Kharg Island.

24 Q Who told you it was oil-drilling equipment?

25 A Ed Juchniewicz.

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1 Q When?

2 A On that --

3 Q On the Monday?

4 A On the Monday.

5 Q Did you connect this shipment in your mind  
6 with the ongoing Israeli initiative that you had read  
7 about [REDACTED]

8 A Yeah, but I didn't connect it in an arms  
9 sense, just that the Israelis were doing things with the  
10 Iranians, because it was my understanding that that  
11 shipment was going to Israel, not to Iran.

12 Q Did you think that it was ultimately bound for  
13 Iran?

14 A Yeah. I figured they'd transship it on their  
15 own planes into Iran.

16 Q But, in any event, on the 25th you didn't  
17 question Juchiewicz' assertion that it was oil-drilling  
18 equipment?

19 A My focus, and you might say it's strange, my  
20 focus was that we had done something wrong, that we  
21 weren't authorized to do, and I didn't care what was on  
22 that airplane. We had used our airplane to do something  
23 that we didn't have a Finding to do. And that's why I  
24 insisted on a Finding.

25 Q In your view it was the fact that the airplane

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1 was used to carry cargo bound for Iran that would have  
2 required a Finding regardless of the nature of the cargo?

3 A No. That was used our airplane to go anyplace  
4 at the request of someone else.

5 Q Well, the proprietary flew flights, though,  
6 for private individuals all the time, didn't it?

7 A But not arranged by CIA headquarters. They do  
8 them directly. They are out scarfing up their own  
9 business, but when we direct them to do something, when  
10 CIA headquarters gets involved, then we have to have an  
11 authorization to do that.

12 Q So as far as you were concerned any use of a  
13 CIA proprietary airline at the direction of the CIA would  
14 have to be done pursuant to a Finding?

15 A Definitely, unless it's out on an intel  
16 collection mission, put cameras in it or something like  
17 that.

18 Q When you learned that the proprietary had been  
19 used, your reaction was to immediately contact  
20 Mr. Sporkin and tell him that you needed a Finding  
21 prepared?

22 A Right.

23 Q You also told him in that first conversation  
24 that it needed to apply retroactively?

25 A Right.

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1 Q Did you summarize what you knew about what had  
2 gone on that weekend for him?

3 A Nope. I just said I think our guys screwed up  
4 and you ought to take a look at it.

5 Q Did you think that the CIA was going to have  
6 to be involved on a continuing basis in this initiative,  
7 or did you think this was just a one-time occasion where  
8 over the weekend of the 23rd of November, one time, a  
9 proprietary plane was used?

10 A I didn't focus on that. All I knew is that we  
11 needed a Finding to cover that event. If the NSC in its  
12 dealings needed continued support, then we'd need a  
13 Finding to provide that.

14 Q And the only thing that you told Mr. Sporkin  
15 was that it had to apply retroactively? You didn't give  
16 him any other idea as to what he should put in that  
17 Finding?

18 A No.

19 MR. LEON: Paul, could I ask one question?

20 In your capacity as the Deputy DCI would you  
21 deal with Sporkin one-on-one on a regular basis or just  
22 once in a while?

23 THE WITNESS: No. I think we had, you know, a  
24 frequent dialogue.

25 MR. LEON: Would he also have that kind of a

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1 relationship with the Director himself?

2 THE WITNESS: Oh, by all means, yes.

3 MR. LEON: They had been working together for  
4 years?

5 THE WITNESS: Yes. Sporkin was in the Agency  
6 because of the Director.

7 BY MR. BARBADORO: (Resuming)

8 Q In this meeting with Juchniewicz on the 25th  
9 what were you told about the NSC's involvement in the  
10 initiative?

11 A He didn't mention NSC. He referred to "those  
12 guys", which I assumed to be the NSC.

13 Q Did he mention Colonel North?

14 A No. But when I came back here, I guess in  
15 January or February -- I don't know when it was; I guess  
16 it was for the hearing with the Senate Select Committee--  
17 somebody told me that Juchniewicz said it wasn't Secord  
18 he mentioned; it was North. And I said to Ed, I said,  
19 don't you remember, you know, pounding your chest, and he  
20 said no, I didn't use the name Secord. I used North.

21 But, you know, I hadn't had any reason to say  
22 Secord unless he told me that. But, you know, it could  
23 be. I mean, could he have seen it from a cable from  
24 [REDACTED] where Secord was stranded and tied it in that way?  
25 I don't know.

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1                   At any rate, after that Monday deal I told  
2 Clair George to get together all the traffic and make  
3 sure that everything that had transpired on this, that we  
4 were in tip-top shape, and said stay on top of this.

5                   Q     Did you talk to Dewey Clarridge on the 25th at  
6 all?

7                   A     Late at night, late in the evening, let's say  
8 6:00-7:00, something like that, Dewey came in with a  
9 cable to go out, and he said the Ambassador's been  
10 calling and trying to get ahold of Casey and he wanted to  
11 know if, you know, he should pursue with [REDACTED]  
12 to get their approval, and this cable said, you know, the  
13 Director is not here, but this was a National Security  
14 Council mission or operation and that he is not to pursue  
15 it further, and we signed it and sent it out.

16                  Q     Were you reading the cable traffic that was  
17 coming in and out that day on this issue?

18                  A     No.

19                  Q     On November 25 at [REDACTED] time a cable was  
20 sent to headquarters from [REDACTED] describing the operation  
21 and in the cable [REDACTED] notes that  
22 the pilot told the ground controllers [REDACTED] that he  
23 was carrying military equipment. Do you ever remember  
24 reading that cable?

25                  A     No.

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1 Q Did anybody tell you that there was an issue  
2 where the pilot had told the ground control [REDACTED]  
3 that the plane was carrying military equipment?

4 A No. I'm not so sure that would surprise me,  
5 you know. What the plane was carrying was not my focus.

6 Q It didn't matter to you one way or the other?

7 A It didn't matter to me one way or the other.

8 Q When did you first come to doubt that there  
9 was oil-drilling equipment on the plane?

10 A I don't know. I've been asked that question  
11 before and I just can't put a time on it. If I was  
12 smart, I would have reacted where I saw the draft Finding  
13 that Sporkin had prepared because in there he had used  
14 the term "weapons" or "munitions" or something like that,  
15 but that just didn't focus on me at the time.

16 Q From the cable traffic it's apparent that  
17 planning for this operation continued well into December.  
18 Were you aware that planning was ongoing to continue this  
19 operation, to do additional flights into December?

20 A No. I just told our guys that they weren't  
21 going to do anything more until we got a Finding.

22 MR. EGGLESTON: There were two things that  
23 were in your memorandum of December / about November 25  
24 that I wanted to ask you about. There's a line -- and  
25 I'll be glad to show it to you -- there's a line that

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1 reports on apparently your conversation with Juchniewicz  
2 of that day which says: "When General Secord visited the  
3 Agency he tried to get leads on airlines that might be  
4 available to move equipment to the Near East in a secure  
5 fashion."

6 Do you recall Juchniewicz -- I mean, this is  
7 your memorandum I'm reading from.

8 THE WITNESS: No, I don't recall that, and I  
9 don't recall Secord coming to the Agency.

10 MR. EGGLESTON: That's why I was curious. Do  
11 you recall today that Juchniewicz had told you that he  
12 had actually come to the Agency to look for --

13 THE WITNESS: No.

14 MR. EGGLESTON: The other thing I wanted to  
15 ask you about was did you have any conversation with  
16 Dewey Clarridge about what might have been on the  
17 aircraft or was he telling you about the efforts?

18 THE WITNESS: No. The only contact I had with  
19 Dewey on this was when he came in that Monday night with  
20 the cable going out to [REDACTED]

21 MR. EGGLESTON: And it's clear to you that you  
22 didn't have any knowledge about the use or proposed use  
23 of the proprietary until November 25?

24 THE WITNESS: You bet your life. I did not  
25 know until after the fact.

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